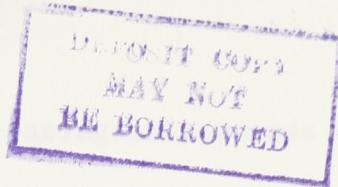


April 1966

NEW SOUTH WALESDIGEST OF CURRENT STATISTICSPage

<u>GENERAL</u>	...	...	...	March	1966	...	35
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PART I EMPLOYMENT AND NON-RURAL INDUSTRIES

Employment	...	...	March	1966	...	36
Population	...	...	Year	1965	...	38
Production : Factories and Coal	...	...	March	1966	...	39
New Building Approvals	...	...	March	1966	...	40
Motor Vehicle Registrations	...	...	March	1966	...	40

PART II FINANCE AND TRADE

Trading Banks - Deposits and Advances	...	March	1956	...	41
	...	Year	1965	...	41a
Savings Bank Deposits	...	March	1966	...	42
New South Wales Government Accounts	...	March	1966	...	42
Commonwealth Government Accounts	...	March	1966	...	43
Retail Trade and Personal Consumption		Year	1965	...	44
Lending by Finance Companies	...	February	1966	...	45
Oversea Trade and Wool Export	...	March	1966	...	46
Sydney Stock Exchange	...	March	1966	...	46
Life Assurance	...	Year	1965	...	47

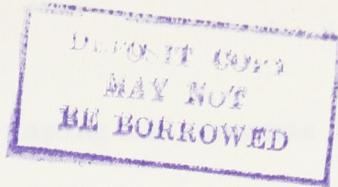
PART III RURAL INDUSTRIES

The Season	...	March	1966	...	48
Dairying, Production and Use	...	March	1966	...	48
Wool, Receipts into Store and Price		March	1966	...	49

GRAPHS Economic Indicators, N.S.W. 1960 to 1966 ... 50-51



April 1966

NEW SOUTH WALESDIGEST OF CURRENT STATISTICSPage

<u>GENERAL</u>	...	...	...	March	1966	...	35
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PART I EMPLOYMENT AND NON-RURAL INDUSTRIES

Employment	...	...	March	1966	...	36
Population	...	...	Year	1965	...	38
Production : Factories and Coal	...	...	March	1966	...	39
New Building Approvals	...	...	March	1966	...	40
Motor Vehicle Registrations	...	...	March	1966	...	40

PART II FINANCE AND TRADE

Trading Banks - Deposits and Advances	...	March	1956	...	41
	...	Year	1965	...	41a
Savings Bank Deposits	...	March	1966	...	42
New South Wales Government Accounts	...	March	1966	...	42
Commonwealth Government Accounts	...	March	1966	...	43
Retail Trade and Personal Consumption	...	Year	1965	...	44
Lending by Finance Companies	...	February	1966	...	45
Oversea Trade and Wool Export	...	March	1966	...	46
Sydney Stock Exchange	...	March	1966	...	46
Life Assurance	...	Year	1965	...	47

PART III RURAL INDUSTRIES

The Season	...	March	1966	...	48
Dairying, Production and Use	...	March	1966	...	48
Wool, Receipts into Store and Price	...	March	1966	...	49

G R A P H S Economic Indicators, N.S.W. 1960 to 1966 ... 50-51



GENERAL - New South Wales

Various statistical indicators point to an easing in economic activity during the March quarter of 1966. This is evident either in a slackening of growth rates or in a direct fall when compared with March quarter 1965. A drop below the peak levels of 1965 has occurred in home building and in the factory output of many types of building materials, fittings and consumer durables, as well as in new motor registrations and the instalment credit used to finance them. However, overall employment remains steady, in particular in trade and in the service industries, and school leavers seems to have been placed into jobs at a satisfactory rate. The credit position is tightening, but bank balances continue to rise moderately. Price increases, as measured by the Consumer Price index have moderated since 1965.

Last year's boom in oversea imports into Australia is levelling off and the drop in exports has been halted.

Coastal and some inland areas received the usual heavy autumn falls of rain, but drought conditions remain unrelieved in many inland parts of Eastern Australia, where livestock losses are mounting and the prospects for a satisfactory wheat crop in 1966-67 are receding.

**PERCENTAGE INCREASE OR DECREASE (-) OVER CORRESPONDING QUARTER OF THE PREVIOUS YEAR**

	1964	1965				1966
		Dec. 0r.	March 0r.	June 0r.	Sept. 0r.	Dec. 0r.
Employment in Large Factories N.S.W.	4.7	4.5	2.4	0.6	-0.3	-0.2
Production: Coal	" 0.5	19.4	8.1	19.6	22.1	4.8
Steel	" 6.9	...	...	2.1	4.2	-2.9
Electricity	" 11.2	9.1	6.4	4.5	5.3	1.7
Cement	" 7.5	5.0	9.0	-0.7	-1.2	-9.6
Building: Dwellings Commenced	" 13.8	3.8	-0.4	-8.7	-13.8	-19.3
Dwellings Approved	" 11.4	1.3	-7.0	-12.4	-21.0	-20.4
Value, All Approvals	" 25.2	24.2	1.7	4.0	- 9.0	-16.5
Motor Vehicles: New Registrations	" 6.0	15.2	0.6	0.1	-14.5	-11.5
Retail Sales (excl. cars, petrol)	" 7.5	4.7	4.7	4.7	4.0	4.2 x
Instalment Credit (non-retail)	" 12.8	11.1	4.2	-3.2	-13.1	- 8.5 x
Oversea Trade - Imports Australia	28.8	20.5	18.9	14.9	1.0	...
Exports	" -4.2	-6.8	-4.4	6.6	-1.5	0.5
Volume of Money	" 11.6	10.0	8.2	6.4	5.2	5.9 x
Trading Bank Deposits	" 13.1	10.7	8.4	4.9	4.2	5.2
Savings Bank Deposits N.S.W.	11.7	10.5	7.9	7.1	6.2	6.0
Price Index: Consumer Price - Australia	4.0	4.1	4.0	3.9	4.0	2.6

x Comparing February 1965 and 1966.

ø Australia

**PART I - EMPLOYMENT AND NON-RURAL INDUSTRIES**

**EMPLOYMENT (See also graph p.50)**

Employment in New South Wales during the March quarter of 1966 shows the seasonal upward trend usual at this time of year.

The number of wage and salary earners in civilian employment (excluding employees in rural industries and in private domestic service) rose by 6,700 to 1,418,100 persons in February, 1966 which is slightly less than the net seasonal intake at this time of recent years (8,600 in 1965, 7,700 in 1964, 7,200 in 1963), mainly because of a reduced intake of females. However, over the year ended February 1966 the proportional rise for females (4.7 per cent.) continued to exceed the increase for males (2.3 per cent.); the overall increase over the year of 3 per cent. compared with 4.1 and 3.5 per cent. in the two preceding twelve-month periods.

Employment in manufacturing in New South Wales rose by 3,100 to 496,500 in February 1966, but the proportional increase of 0.9 per cent. between February 1965 and 1966 remained notably less than the rises in the other industry groups listed below. A greater rise in the services industries is also reflected in a small relative gain of government over private employment during the past twelve months.

Employment in the other states continues to rise faster than in New South Wales, and between February, 1965 and 1966, the Australian total increased by 3.2 per cent. to 3.7 million.

**WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT (Excl. Rural Workers & Private Domestics)**

	Jan. 1965	Feb. 1965	Jan. 1966	Feb. 1966	% Rise, Year ended Feb.		
					1964	1965	1966
w South Wales							
Manufacturing	488,100	492,300	493,400	496,500	3.0	4.5	0.9
Building & Construction	112,500	113,100	117,100	118,500	3.7	2.5	4.8
Transport & Communication	122,500	122,700	125,800	125,500	1.7	4.5	2.6
Rail Trade	148,600	148,500	153,100	151,400	3.0	1.6	2.0
Wholesale Trade & Finance	147,800	149,200	152,500	153,600	3.8	4.6	2.9
Community & Business Services	237,300	239,000	251,500	253,100	5.6	5.3	5.9
Other Industries	112,000	112,700	117,900	119,200	2.8	3.5	5.8
TOTAL : Males	967,100	971,600	988,600	993,500	3.2	3.4	2.3
Females	401,700	405,800	422,700	424,700	4.0	5.8	4.7
TOTAL : New South Wales	1,368,800	1,377,400	1,411,400	1,418,100	3.5	4.1	3.0
Other States	2,167,900	2,192,600	2,240,600	2,265,700	4.6	4.3	3.3
Australia	3,536,600	3,569,800	3,651,800	3,683,800	4.1	4.2	3.2

A survey of privately-owned factories in New South Wales (conducted by the Department of Labour and National Service and the Commonwealth Statistician) showed that their total employment declined from 266,000 in November 1964 to 265,100 in January 1966 and then recovered to 266,600 in February and in March. This rise was mainly due to seasonal activity in the food processing industry.

However, over the year ended March 1966 total employment fell by nearly 1 per cent., as compared with increases of  $4\frac{1}{2}$  and 3 per cent. respectively in the two preceding years. The decline in the 1965/66 period was more marked for female than for male employment and affected mainly the groups for building materials, transport equipment metals (other than basic metals) and clothing and textiles; there was little change in basic metals and food, and a small rise in the chemicals group.

**EMPLOYMENT IN LARGER PRIVATE FACTORIES - New South Wales**

	Build'g Mat'l's	Basic Metals	Transport Equipment	Other Metal Equipment	Chem- icals	Clothing Textiles	Food	Others	Total		
									Males	Females	Persons
- Feb.	19,100	48,100	23,300	60,200	14,500	32,300	26,900	32,200	193,800	62,900	256,700
March	19,100	48,000	23,700	60,700	14,600	32,600	26,100	32,400	194,300	63,000	257,300
- Feb.	19,600	49,400	24,500	64,700	15,100	33,300	27,200	33,500	199,900	67,500	267,400
March	19,800	49,600	24,800	65,200	15,100	33,400	27,400	33,700	200,800	68,100	268,900
- Feb.	19,500	49,700	24,200	64,000	15,400	32,700	27,800	33,300	200,100	66,500	266,600
March	19,300	49,700	24,400	64,300	15,500	32,700	27,500	33,300	199,800	66,800	266,600
Percent. Increase - Twelve Months ended March											
1944	-1.2	3.6	4.6	4.8	2.0	1.7	...	2.6	2.6	3.6	2.8
1965	3.7	3.3	4.6	7.4	3.4	2.5	5.0	4.0	3.3	8.1	4.5
1966	-2.5	0.2	-1.6	-1.4	2.6	-2.5	0.4	-1.2	-0.5	-1.9	-0.9

Whereas in earlier years, rising demand for labour during February and March has nearly eliminated the seasonal increase of the preceding October-January in the number of unplaced applicants (registered with Commonwealth Employment Service offices in New South Wales), the March total of 21,600 in 1966 was fifty per cent. higher than last October though it remained low in relation to the work force and to the average of earlier years.

C'WEALTH EMPLOYMENT SERVICE, N.S.W.		1961-62	1962-63	1963-64	1964-65	1965-66
Unplaced Applicants	October	35,400	29,500	20,100	13,300	14,100
	January	47,100	42,400	31,800	17,000	26,600
	March	36,700	33,500	22,400	14,600	21,600

Comparing figures for March, 1964, 1965 and 1966, the number of unplaced male applicants in the State has somewhat risen, from 11,000 and 6,700 to 12,300, respectively, in particular in the over 21 years group (from 7,800 and 4,900 to 9,000), while unfilled vacancies for males were cut from 8,100 and 13,200 to 7,200 respectively. The number of female applicants at 9,300 in 1966 was also more than in 1965 (7,900) but well below earlier years, and unfilled vacancies for women registered a smaller fall in 1965-66.

On the evidence of these figures the labour market seems less buoyant than it was last year, but is still very close to full employment. The number of persons on unemployment benefit, at 5,900 in March, 1966, remains relatively low, and the number of unplaced applicants in this State was then only 1.2% of the estimated workforce. In the other States this proportion ranged from about 1% in Victoria, Western Australia and Tasmania and 1½% in South Australia to 2% in Queensland with an Australian average of 1.3%.

#### REGISTRATIONS WITH COMMONWEALTH EMPLOYMENT SERVICE - New South Wales

		1962	1963	1964	1 9 6 5		1 9 6 6	
		March	March	March	Feb.	March	Feb.	March
PLACED APPLICANTS : Under 21	Male	5,200	5,000	3,200	2,500	1,800	4,500	3,300
	Female	6,700	7,100	6,300	5,100	4,300	6,000	4,900
Over 21	Male	17,500	14,700	7,800	5,500	4,900	9,200	9,000
	Female	7,300	6,700	5,100	3,900	3,600	4,500	4,400
Metrop. Area	Persons	20,000	16,900	10,000	7,700	6,400	12,100	10,800
Rest of State	"	16,700	16,600	12,400	9,300	8,200	12,100	10,900
All Applicants	Male	22,700	19,700	11,000	8,000	6,700	13,700	12,300
	Female	14,000	13,800	11,400	9,000	7,900	10,500	9,300
	Persons	36,700	33,500	22,400	17,000	14,600	24,200	21,600
UNEMPLOYMENT BENEFIT:	Male	11,200	9,400	4,000	2,100	1,700	3,600	3,400
	Female	5,400	5,200	4,100	2,500	2,400	2,600	2,500
	Persons	16,600	14,600	8,100	4,600	4,100	6,200	5,900
FILLED VACANCIES:	Male	4,800	5,100	8,100	14,000	13,200	11,000	7,200
	Female	3,500	3,400	4,000	5,700	5,000	6,200	4,100
	Persons	8,300	8,600	12,100	19,700	18,200	17,200	11,300

The number of unplaced applicants in March, 1966 was approximately 50% greater than in March, 1965 in New South Wales, Victoria and Queensland and nearly twice as high in South Australia, and the Australian total rose from 41,700 to 58,300 which is near the level of March, 1964. The number of persons on unemployment benefit at end of March, 1966 was 16,200, including 5,900 in New South Wales and 5,500 in Queensland, which are the States most affected by the drought.

#### REGISTRATIONS WITH COMMONWEALTH EMPLOYMENT SERVICE - Australia

		1962	1963	1964	1 9 6 5		1 9 6 6	
		March	March	March	Feb.	March	Feb.	March
PLACED APPLICANTS:	Male	65,700	50,300	29,400	24,900	19,800	38,100	32,700
	Female	35,400	34,600	28,500	25,800	21,900	27,900	25,600
	Persons	101,100	84,900	57,900	50,700	41,700	66,000	58,300
UNEMPLOYMENT BENEFIT:	"	45,900	36,300	22,000	13,700	12,100	17,600	16,200
FILLED VACANCIES:	"	19,800	25,500	37,800	56,300	52,400	49,200	39,000

## POPULATION - New South Wales and Australia

The fall in birth rate which has been evident in recent years continued during 1965. Births in Australia fell from a peak of 240,000 in 1961, to 235,700 in 1963, and 222,900 in 1965, and in New South Wales from 86,400 to 84,100 and 78,100 for the same years.

Deaths in 1965 were a little less than in 1964 when they had been unusually high because of severe winter conditions, but this did not halt the downward trend in natural increase from a peak of 151,000 in Australia (51,300 in N.S.W.) in 1961 to 128,600 (41,000 in N.S.W.) in 1964 and 123,100 (39,100) in 1965. As a proportion of population the rate of natural increase at 1.09% in Australia (0.94% in N.S.W.) in 1965 was the lowest since the war.

The fall in natural increase has been offset by a renewed boost in migration. The net population gain from migration in Australia rose from 71,600 in 1963 and 99,300 in 1964 to 104,900 in 1965 - the highest since 1951 - and contributed nearly one half to the total population growth in that year. New South Wales in particular raised its net migrant intake in 1965, to 39,500 equivalent to 38% of the Australian total, as against only 32% in the two previous years.

The total increase in the Australian population in 1965 at 228,000 was about the same as in 1964, but as a ratio of the population at the beginning of the period it fell from 2.07% to 2.03%.

For New South Wales the net increase in population of 78,600, as well as the ratio of increase at 1.89%, were the highest since 1960.

### POPULATION GROWTH - Persons

		Births	Deaths	Natural Increase	Net Migration	Total Increase	
					X	X	X
NEW SOUTH WALES	Year	1962	85,400	36,900	48,600	1.23	18,600 0.47 67,200 1.70
		1963	84,100	37,200	46,800	1.17	22,800 0.57 69,700 1.73
		1964	80,500	39,500	41,000	1.00	31,600 0.77 72,600 1.78
		1965	78,100	38,900	39,100	0.94	39,500 0.95 78,600 1.89
AUSTRALIA	Year	1963	235,700	94,900	140,800	1.30	71,600 0.66 212,400 1.97
		1964	229,100	100,600	128,600	1.17	99,300 0.90 227,900 2.07
		1965	222,900	99,700	123,100	1.09	104,900 0.93 228,000 2.03
N.S.W. as % of	<u>Australia</u>						
	Year	1962	36.0	39.6	33.7	29.8	32.6
		1963	35.7	39.2	33.3	31.8	32.8
		1964	35.1	39.3	31.9	31.8	31.9
		1965	35.0	39.1	31.8	37.6	34.5

X Ratio per 100 of population.

For some years New South Wales has had a lower birth rate and a higher death rate than most of the other states, and although this trend continued in 1965, it gained proportionally more from migration in that year, the number of migrants exceeding the natural increase. Thus the rate of population growth for the State rose from 1.78% in 1964 to 1.89% in 1965, a rate which was nevertheless below the Australian average of 2.03, but well above the rates for Queensland and Tasmania.

The continued decline in the New South Wales proportion of the total Australian population became more gradual in 1965 when it reached 36.9% in December, as against 37.0% in the previous year, and 37.3% in 1963. Queensland has also shown a relative decline in recent years, while Victoria, South Australia and A.C.T. continue to increase their share in the total Australian population.

As at Dec.	N.S.W.	VIC.	QLD.	S.A.	W.A.	TAS.	N.T.	A.C.T.	AUST.
<u>POPULATION:</u>									
1964	4158900	3161500	1595100	1044700	799600	375300	30900	84700	11250700
1965	4237500	3233900	1615400	1064600	820100	379100	34300	93800	11478700
<u>MERAGE ANNUAL RATE OF INCREASE - Per cent.</u>									
1947-1954(June)	1.98	2.56	2.53	3.05	3.51	2.65	6.12	8.70	2.46
1954-1961(June)	1.93	2.57	2.04	2.83	2.03	1.85	7.43	9.93	2.26
1965	1.89	2.29	1.27	1.91	2.56	1.02	10.69	10.78	2.03
<u>PERCENT AUSTRALIAN TOTAL POPULATION</u>									
1947 (June)	39.4	27.1	14.6	8.6	6.6	3.4	0.1	0.2	100
1954 (June)	38.1	27.3	14.7	8.9	7.1	3.4	0.2	0.3	100
1961 (June)	37.3	27.9	14.4	9.2	7.0	3.3	0.3	0.6	100
1965 (Dec.)	36.9	28.2	14.1	9.3	7.1	3.3	0.3	0.8	100

FACTORY PRODUCTION - New South Wales (See also graph page 51).

Among the major products listed below only coal, electricity and refrigerators showed an increase between the March quarters of 1965 and 1966, and coal and electricity also show notable rises when the nine months ended March 1965 and 1966 are compared.

Production of ingot steel and cement took a relative downturn in March quarter 1966 and production of some other building materials and fittings had already declined in the second half of 1965. However, in most cases production in the first nine months of 1965/66 remained above the level of 1963-64 and earlier years.

**P R O D U C T I O N - NEW SOUTH WALES**

	March Quarter				Nine Months Ended March			
	1963	1964	1965	1966	1963	1964	1965	1966
1 000 tons	4117	4552	5436	5698	14,287	14,938	16,105	18,452
electricity m.k.Wh.	2772	3213	3482	3540	8,963	9,986	10,998	11,424
s m.thern	25.1	24.7	26.3	25.6	89.8	90.1	92.4	91.7
ot Steel m. tons	1047	1212	1211	1176	3170	3624	3808	3854
cks million	99	119	130	128	341	369	413	427
ent 000 tons	234	299	314	284	801	921	982	946
ctric Stoves 000	13.3	13.4	17.0	16.2	45.4	46.7	59.3	56.8
water Systems 000	14.6	15.8	20.9	20.5	49.1	56.0	69.8	69.7
hing Machines 000	20.4	24.6	34.0	28.8	69.0	84.0	110.5	103.9
rigerators 000	21.0	25.2	27.6	29.7	78.8	84.8	86.6	86.3
lio Receivers 000	82	64	54	42	263	241	229	190
evision " 000	39	34	34	31	140	121	144	127
or Car Bodies 000	26.3	24.4	24.7	19.2	84.3	82.1	77.1	64.5

The decline in building activity which became evident in the second half of 1965 continued into the March quarter of 1966. The number of dwellings commenced in New South Wales fell from about 10,000 a quarter in the first half of 1964 and 1965 to 8,800 in December quarter 1965 and 8,200 in March quarter 1966, which is the lowest for three years. The decline was mainly in commencement of houses which at 5,500 in the 1966 period was the lowest for ten years; commencements of flats at 2,700 were also below the 1965 level but remained higher than in earlier years and still made up one third of all commencements in March quarter 1966.

Statistics of the number of dwellings approved and completed also reflect slackened activity. With fewer commencements the number of dwellings under construction in the State was reduced from a peak of 23,100 in March 1965 to 19,100 in 1966 which is closer to the level of early 1964.

#### NEW BUILDING - New South Wales

	1963	1964		1965				1966
	March	March	Dec.	March	June	Sept.	Dec.	March
DWELLINGS: Approved	7,800	10,100	11,500	10,900	11,500	11,400	9,100	8,700
Commenced	7,400	9,900	10,200	10,300	10,000	10,700	8,800	8,200
Completed	7,500	8,400	10,500	9,400	10,500	10,500	11,500	9,300
Under Construction (end/period)	15,700	19,200	22,200	23,100	22,600	22,800	20,100	19,100
Details of DWELLINGS COMMENCED:								
Houses	6,000	7,300	6,400	6,400	6,400	6,800	5,900	5,500
Flats	1,500	2,600	3,800	3,900	3,500	3,900	2,900	2,700
Government Ownership	900	1,600	1,700	1,100	1,300	1,700	900	600
Private: Owner Builders	1,100	1,100	1,000	1,000	900	900	1,000	1,000
Contract Builders	5,400	7,200	7,500	8,200	7,800	8,000	6,900	6,600
VALUE OF APPROVALS (\$ million)								
Dwellings	57.8	73.5	87.8	85.1	93.9	94.2	78.6	73.5
Shops, Offices, Banks	20.1	11.2	27.8	24.3	13.0	15.5	20.9	13.3
Factories	12.3	11.0	12.4	15.6	16.3	13.8	10.8	13.7
All Other Building	18.4	30.6	29.0	33.0	44.3	45.6	32.6	29.4
Total	108.5	126.3	157.0	158.0	167.5	169.1	142.9	129.9

#### MOTOR VEHICLE REGISTRATIONS

(See also graph p. 51)

When comparing the corresponding periods of 1964-65 and 1965-66 registrations of new motor vehicles in both New South Wales and Australia were about constant for the September quarters; showed a strong relative decline for the December quarter 15 per cent. for the State and 13 per cent. for Australia); and a slightly lesser one for the March quarters (12 per cent. and 11 per cent. respectively).

Comparing the nine months ended March 1965 and 1966, the decline in total registrations has been relatively greater for New South Wales (down 8.8 per cent. to 104,800) than for the whole of Australia (where they dropped by 7.9 per cent. to 287,800). For the State, car registrations for the nine months fell by 5½ per cent. to 68,900 (or 66% of total new registrations); registrations of station wagons dropped by 30 per cent. from the peak level of last year and those of "other" (or commercial) vehicles rose by 3.6 per cent. to 19,900.

#### REGISTRATION OF NEW MOTOR VEHICLES

(Excluding motor cycles, tractors and trailers)

	New South Wales				Australia			
	1962-63	1963-64	1964-65	1965-66	1962-63	1963-64	1964-65	1965-66
pt. Quarter	33,300	38,000	40,200	40,300	86,900	103,600	109,800	109,100
c. Quarter	32,500	36,800	38,700	32,900	90,800	103,300	105,400	92,100
r. Quarter	30,500	34,500	36,000	31,600	82,000	88,600	97,300	86,600
January	9,500	9,000	10,700	9,100	25,700	26,400	28,600	25,300
February	10,000	10,900	11,400	10,100	26,600	29,200	30,600	28,200
March	11,100	11,600	13,800	12,500	30,000	33,000	38,000	33,100
One months to Mar.	96,400	106,300	114,900	104,800	259,700	295,500	312,600	287,800
ars	63,100	69,200	72,900	68,900	165,300	186,700	192,000	183,100
Station Waggons	16,400	19,700	22,800	15,900	52,700	60,800	65,300	46,800
Other	15,800	17,800	19,200	19,900	41,700	47,900	55,200	57,900

## PART II : FINANCE &amp; TRADE

MAJOR TRADING BANKS - Australia

Movements in trading bank assets and liabilities during February and March, 1966 were affected to some extent by the change to dollar currency. Cash holdings which are usually around \$150m. rose to \$247m. in February and were still \$203m. in March (with a corresponding movement in "Balances due to Other Banks" from a usual \$20m. - \$25m. to \$134m. and \$93m.) Apart from the special circumstances of the conversion there are signs of a tightening liquidity position. Bank deposits, which usually show a seasonal rise right through the first quarter of the year, declined in 1966 from \$5,223m. in February to \$5,153 m. in March; cheque accounts at \$2,803m. in March were actually less than at this time of 1965 or 1964, while bank advances have risen by \$520m. to \$2,698m. over the same two years.

Bank funds have been strengthened by the high level of fixed deposits (now 39% of total deposits) and by reduced requirements for the Statutory Reserve Deposit, but the advance-deposit ratio of 52.8% in March 1966 is still in contrast to the 49% ratio prevailing in the relatively liquid situation of March 1965 and 1964.

MAJOR TRADING BANKS - Business within Australia

	1962	1963	1964	1965		1966		
	March			Jan.	March	Jan.	Feb.	March
	\$ million							
POSITS:	Fixed							
urrent:	Interest Bearing	1,121	1,236	1,356	1,680	1,744	1,980	2,030
Other		191	235	268	275	286	316	330
otal Deposits		2,479	2,499	2,804	2,795	2,870	2,753	2,803
		3,791	3,970	4,428	4,750	4,900	5,049	5,223
VANCES:	Term Loans	-	36	99	158	164	191	195
	Wool Buyers(Temp.)	88	109	140	103	122	108	123
	Other	1,856	1,952	1,938	2,100	2,111	2,367	2,325
tal Advances		1,944	2,096	2,178	2,361	2,398	2,666	2,643
Statutory Reserve Deposit		470	453	675	751	766	634	643
overnment Securities		1,024	974	1,130	1,153	1,243	1,321	1,346
ash Items		136	131	131	149	143	153	247*
								203*
	Ratio to Customers' Deposits - Per Cent.							
Advances		51.3	52.8	49.2	49.7	48.9	52.8	50.6
Statutory Reserve Deposit		12.4	11.4	15.2	15.8	15.6	12.6	12.3
ash and Securities (LGS)		30.6	27.8	28.5	27.4	28.3	27.4	30.5*
fixed Deposits as % of Total		29.6	31.1	30.6	35.4	35.6	39.2	38.9
								39.3

\* Affected by transition to decimal currency

Overdraft limits rose by \$10m. to \$3,969m. in March 1966 when they were \$89m. more than a year earlier, but advances drawn against them have risen faster and the proportion of Limits Used at 60 per cent. was higher than in recent years (between 52% and 55% in March 1962-65).

	FOR TRADING BANKS: ADVANCES & LIMITS (Excl. Temporary Loans to Wool Buyers & Term Loans) \$m.								
	1962	1963	1964	1965		1966			
	Mar.	Mar.	Mar.	Jan.	Mar.	Dec.	Jan.	Feb.	Mar.
bal Overdraft Limits (Second Wed.)	3,365	3,566	3,757	3,853	3,880	3,995	3,961	3,959	3,969
ss: Advances Outstanding (Weekly Av.)	1,856	1,952	1,938	2,100	2,111	2,346	2,367	2,325	2,372
used Overdraft Limits" (Approx. Bal.)	1,509	1,614	1,819	1,753	1,769	1,649	1,594	1,634	1,597
cent. of Limits Used (Approx.)	55%	55%	52%	54%	54%	59%	60%	59%	60%

BANK ADVANCES AND DEPOSITS

Total deposits within Australia of the major trading banks increased by \$158m. or 3½ per cent. during 1965 to \$4,734m. in December, following an increase of 11 per cent. during 1964. During 1965, \$157m. of additional deposits went into personal accounts (which rose to 33% of the total), but business deposits fell by \$54m. (to 57%) because of net reductions in the accounts of the rural sector (down by \$78m. to 17%) and the commerce and finance sectors (which together fell by \$36m.). However, the deposits of manufacturing industries rose by \$6m. (to 7%) and those of "other" businesses by \$55m.

Fixed deposits continue to rise relatively faster than total deposits (especially for personal accounts) and between January and December 1965 their share increased from 35% to 38%. At the end of the year, this ratio ranged from 58% for public authorities and 51% for personal accounts to 24% for manufacturing and 28% for commerce and finance.

Although deposits rose by only \$158m. during 1965, advances rose by \$312m. or 13 per cent. Consequently, the ratio of advances to deposits rose from 51.6% in January to 56.5% in December 1965. Advances to all major sectors show increases during 1965 with an extra \$91m. going to rural industries; \$86m. to manufacturing, and \$83m. to commerce and finance: these three groups together accounted for 68% of total advances at the end of the year.

Total advances of \$2,675m. at December 1965 included \$188m. term loans (\$158m. at the beginning of the year) granted mainly to primary producers and manufacturers as well as \$126m. temporary advances to woolbuyers. These two items are not included in the series for overdraft limits which, at \$3,995m. at the end of 1965, refers to a net \$2,361m. of advances drawn against them. Thus the average proportion of overdraft limits used was 59% at the end of 1965 compared with 55% a year earlier. At the latest date, the "limits used" ratio varied from 78% for rural and 77% for personal accounts down to 23% for public authorities and 45% for manufacturing.

MAJOR TRADING BANKS - Australia - DEPOSITS AND ADVANCES - \$million

	Rural	Manu-facturing	Commerce	Other Business	Total Business	Public Au-thorities	Personal	Other	TOTAL
<b>DEPOSITS:</b>									
Jan. 1964	829	314	698	693	2,534	185	1,206	182	4,108
Jan. 1965	892	320	758	792	2,762	224	1,385	206	4,576
Dec. 1965	814	326	722	847	2,708	245	1,542	238	4,734
<b>Fixed Deposits:</b>									
Dec. 1965	358	79	199	170	806	142	785	73	1,807
Total as % of Deposits	44%	24%	28%	20%	30%	58%	51%	31%	38%
<b>ADVANCES:</b>									
Jan. 1964	474	364	564	300	1,702	29	386	51	2,169
Jan. 1965	513	448	593	322	1,876	32	405	50	2,363
Dec. 1965	604	534	676	357	2,170	32	420	53	2,675
<b>Term Loans x</b>									
Dec. 1965	65	88	10	24	187	1	...	...	188
<b>Overdraft Limits</b>									
Dec. 1965	689	997	968	552	3,208	135	549	104	3,995
Limits Drawn	78%	45%	69%	60%	62%	23%	77%	51%	59%

x Included in Advances above. Overdraft Limits exclude term loans and temporary advances to wool buyers, and they are also excluded from the calculation of Limits Drawn.

Of the Australian total of advances for all cheque paying banks at December 1965, New South Wales held 42.6 per cent. Advances of the major trading banks in the State (excluding the Rural Bank) increased by 15 per cent. during 1965 to \$1,139m. following an increase of 10 per cent. in 1964. Of the total increase during 1965 of \$149m. \$40m. went to the rural sector, \$31m. to each of manufacturing and wholesale trade and \$18m. to retail trade. The only decrease was one of \$5m. in advances to financial institutions (other than building societies).

Comparing the distribution of advances among the various sectors for January 1962 and December 1965, the proportions have risen for manufacturing, wholesale and retail trade and personal loans (other than for building purposes) and fallen for the rural sector, finance and building.

## ADVANCES - Major Trading Banks - New South Wales (incl. A.C.T.) - As at January

	AMOUNT IN MILLION				PERCENTAGE OF TOTAL			
	1963	1964	1965	1966	1962	1964	1965	1966%
Rural Industries	174	170	184	224	21.0	18.9	18.6	19.6
Manufacturing	146	146	196	227	18.8	16.2	19.8	19.9
Trade: Wholesale (including Wool)	106	118	118	149	11.9	13.1	11.9	13.1
Retail	74	80	82	100	8.1	8.9	8.3	8.7
Finance (excl. building societies)	42	34	46	41	4.4	3.8	4.7	3.6
Building/Home Purchase: Builders & Soc's.	44	48	50	51	5.3	5.3	5.0	4.5
Persons	92	98	102	107	9.9	11.0	10.0	9.4
Other Personal Loans	66	78	84	89	6.4	8.8	8.5	7.8
Other	116	126	128	151	14.2	14.0	13.2	13.3
Total	860	898	990	1139	100%	100%	100%	100%

\* December 1965

NEW SOUTH WALES GOVERNMENT ACCOUNTS

Comparing the nine months ended March 1965 and 1966, total government revenue increased by 12.6 per cent. to \$548m. and total expenditure rose by 6.2 per cent. to \$539m. so that a deficit of \$21m. for this period of 1964-65 changed to a surplus of \$9m. Consolidated revenue rose by \$66m. of which \$53m. came from the Commonwealth general grant (partly because of a change in the method of payment whereby monthly instalments are now spread evenly throughout the year) and \$11m. came from additional state taxation (net of a slight fall in stamp and probate duties).

In expenditure \$8m. went to increased outlay on education and health services (up 5 per cent.), \$15m. to other departmental expenses (up 14½ per cent.) and \$5m. to net debt charges. The combined surplus of the three transport undertakings dropped by \$7m. (to \$22m.) mainly because of a drop in railway revenue.

Gross loan expenditure on works and services for the nine months has risen steadily from \$97m. in 1963-64 and \$119½m. in 1964-65 to \$133m. this year.

NEW SOUTH WALES GOVERNMENT ACCOUNTS - \$ million

REVENUE	July to March			EXPENDITURE	July to March		
	1963/4	1964/5	1965/6		1963/4	1964/5	1965/6
Commonwealth General Grant	139.0	138.3	191.1	Net Debt Charges	65.6	66.6	71.4
State Taxation	85.4	106.5	117.9	Education, Health	148.0	177.2	185.7
Other Governmental	59.6	56.0	57.6	Other Departmental	103.0	106.9	122.4
Total Consolidated Revenue	284.0	300.8	366.7	Total of above	316.6	350.7	379.4
Railways	147.0	154.4	149.8	Railways	118.6	127.7	129.6
Buses	18.6	18.5	18.5	Omnibuses	19.8	19.6	20.6
Harbour Services	11.4	12.5	12.7	Harbour Services	7.6	9.2	9.1
Total Business	177.0	185.5	181.0	Total Business	146.0	156.4	159.3
TOTAL REVENUE	461.0	486.3	547.6	TOTAL EXPENDITURE	462.7	507.2	538.8
GROSS LOAN EXPENDITURE ON WORKS AND SERVICES					97.4	119.5	133.4

SAVINGS BANK DEPOSITS

Savings deposits in March 1966 fell by \$8m. to \$1781m. in New South Wales and by \$24m. to \$5118m. in Australia. Though this may have been partly due to withdrawals for the Easter holidays it also seems to reflect the slowing down or halt in the long-term growth of savings deposits. Between March 1965 and 1966 they rose by 6 per cent. in New South Wales (7 per cent. in Australia) as compared with increases of 10 and 13 per cent. in the two preceding years.

SAVINGS BANK DEPOSITS

	1964		1965		1966		March to March			
	Feb.	March	Feb.	March	Feb.	March	62-63	63-64	64-65	65-66
	\$ million						Percent. Increase in Year			
New South Wales	1,523	1,528	1,679	1,680	1,789	1,781	12.4	13.1	9.9	6.0
Other States	2,779	2,792	3,103	3,102	3,353	3,337	13.4	15.2	11.1	7.6
Australia	4,303	4,320	4,783	4,782	5,142	5,118	13.0	14.4	10.7	7.0

Commonwealth revenue for the nine months ended March 1966 totalled \$2,934m. which was 10 per cent. more than for the comparable period of 1964-65. Receipts from income taxes, other taxes and "other revenue", all increased at almost the same rate.

Between July - March 1964 and 1965 revenue had increased by 17 per cent., and the budget for the year 1965-66 anticipates a rise of 13 per cent. over the full year.

COMMONWEALTH GOVERNMENT REVENUE	Year ended June					Nine Months ended			March	
	1964	1965	1966	1965	1966	1964	1965	1966	1965	1966
	Actual		Budget	Per cent.		Actual		Budget	Per cent.	
	\$ million			Increase		\$ million			Increase	
Income Taxes	1,874	2,296	2,603	22.5	13.4	874	1,090	1,204	24.7	10.5
Other Taxes	1,324	1,461	1,666	10.3	14.0	988	1,096	1,199	11.0	9.4
All Taxes	3,198	3,757	4,270	17.5	13.7	1,862	2,186	2,403	17.4	9.9
Other Revenue	612	661	718	8.0	8.6	424	482	531	13.8	10.2
Total Revenue	3,810	4,418	4,988	16.0	12.9	2,286	2,668	2,934	16.8	10.0

Comparing the nine months ended March 1965 and 1966, Consolidated Revenue rose by \$266m. to \$2,934m. while Expenditure from this account rose by \$475m. to \$3439m.; the excess of expenditure over receipts for the nine months rose accordingly from \$296m. to \$505m. The main increases in revenue were in excise and income tax. The rise in expenditure was due partly to the earlier distribution of general grants to the States; payments under this heading totalled \$600m. by March 1966, or \$167m. more than at this time of last year, although the full year's payments are budgeted to rise by only \$85m. Social Services, defence and administrative departments also required substantially more funds in the 1965-66 period.

#### COMMONWEALTH GOVERNMENT ACCOUNTS - Nine Months ended March - \$ million

E V E N U E	1964	1965	1966	E X P E N D I T U R E		1964	1965	1966
				Social Services	States: General Grants			
Customs	171	200	210	Social Services	583	652	705	
Excise	442	476	561	States: General Grants	429	433	600	
ales Tax	241	271	277	Other Grants Etc.	143	188	201	
income Tax	873	1,089	1,204	Defence (incl. capital works)	292	418	499	
ayroll Tax	101	112	121	Territories "	98	109	126	
state & Gift Duty	34	38	30	War and Service Pensions	140	137	141	
Total Taxation	1,862	2,186	2,403	Works, Buildings *	99	109	107	
Post Office	241	275	298	Post Office (Incl. cap. works)	262	298	339	
adio and Television	21	24	27	Radio and T.V. "	27	33	36	
ther Revenue	161	183	206	Other Expenditure	521	587	685	
<b>TOTAL REVENUE</b>	<b>2,285</b>	<b>2,668</b>	<b>2,934</b>	<b>TOTAL EXPENDITURE C.R.F.</b>	<b>2,594</b>	<b>2,964</b>	<b>3,439</b>	
War Service Homes, Snowy Mountains etc.				Loan Fund Expenditure	555	457	572	

The value of Treasury Bills and Notes outstanding showed a sharp seasonal fall from \$827m. in January 1966 to \$638m. in March, but the issue remained higher than at this time of recent years.

REASURY BILLS & NOTES OUTSTANDING \$ mill.	1961-62	1962-63	1963-64	1964-65	1965-66
July	360	364	312	352	245
December	704	712	650	636	769
January	688	650	658	672	827
February	596	512	538	518	709
March	602	570	602	474	638

**VALUE OF RETAIL SALES AND PERSONAL CONSUMPTION EXPENDITURE - NEW SOUTH WALES**

The value of retail sales (other than motor vehicles, parts, petrol, etc.) continues to rise but the rate of increase moderated from the middle of 1965 onward. When compared with the corresponding period of the previous year, turnover in Australia rose by 6 per cent. in the first half, and by 5 per cent. in the second half of 1965 and by 4 per cent. in January-February 1966. In the latter period sales by a sample of city stores in Sydney were 2 per cent. less than in 1965 while sales in a group of suburban stores in Sydney rose by approx. 3 per cent..

The total value of retail sales of goods in New South Wales in the year 1965 was \$3,260m. or 2.9 per cent. more than in 1964, as compared with an increase of 5.3 per cent. in the previous year. It appears that the rate of increase in retail turnover did not keep up with the combined pressure of rises in population (2% p.a.) and prices (3.8% in 1965 as measured by the Consumer Price Index which covers a similar but not identical group of goods). A partial explanation is suggested by the second table page 45. which shows the continuing shift in consumer spending from goods to services.

Retail sales in December quarter 1965, as in the whole year 1965, showed significant falls against 1964 for household durables (hardware, electrical goods, furniture) and footwear as well as for sales of motor vehicles, parts and petrol. This was largely offset by increased spending on food and drink and also on chemist goods and miscellaneous items. The increase in the clothing and drapery group, at 3.4 percent, was relatively low, partly because retail prices for this group have risen less than the average.

**VALUE OF RETAIL SALES OF GOODS - New South Wales**

	December Quarter					Year ended December				
	1964	1965	1963	1964	1965	1964	1965	1963	1964	1965
	\$ mill.	Rise(Fall-)Per Cent on Preceding Year				\$ mill.	Rise(Fall-)Per Cent on Preceding Year			
Groceries .. ..	103	113	1.5	7.3	9.7	370	403	3.8	3.6	8.9
Chechers' Meat .. ..	47	51	3.3	6.8	7.2	181	193	4.8	4.0	6.6
Other Food .. ..	81	85	3.1	5.1	5.6	299	313	5.4	2.0	4.7
Milk, Wine, Spirits ..	65	69	-2.5	6.0	6.5	230	241	2.7	1.8	4.8
Clothing & Drapery ..	126	128	9.3	7.3	1.7	416	430	5.5	8.1	3.4
Footwear .. ..	20	19	6.1	4.2	-3.0	68	67	4.8	4.6	-1.5
Hardware, China, Glassware	20	19	-0.6	11.2	-6.1	62	59	0.0	1.6	-4.8
Electrical (Incl. Radio, TV)	45	44	0.5	8.5	-0.9	156	152	0.0	8.3	-2.6
Furniture, Floor Coverings	35	34	9.8	10.5	-2.0	115	117	6.1	10.6	1.7
Chemists' Goods .. ..	38	41	11.5	10.8	7.6	131	143	6.2	9.2	9.2
Newspapers, Books, Stationery	24	25	7.8	7.2	3.8	78	82	7.2	5.4	5.1
Tobacco, Jewellery	69	71	4.4	8.8	2.6	216	226	6.9	6.9	4.6
<b>TOTAL OF ABOVE</b>	<b>672</b>	<b>699</b>	<b>4.2</b>	<b>7.5</b>	<b>4.0</b>	<b>2322</b>	<b>2426</b>	<b>4.5</b>	<b>5.4</b>	<b>4.5</b>
Motor Veh's, Parts, Petrol	221	201	6.0	4.6	-8.8	845	834	13.8	4.9	-1.4
<b>TOTAL</b>	<b>893</b>	<b>900</b>	<b>4.8</b>	<b>6.7</b>	<b>0.8</b>	<b>3167</b>	<b>3260</b>	<b>6.8</b>	<b>5.3</b>	<b>2.9</b>

Personal consumption expenditure, as published in the National Accounts (see page 45) is a more comprehensive series than retail sales as it includes services (e.g., health, power, rent, repairs) and sales not made through retail outlets (e.g., some milk and bread vendors, sales by clubs); however, it excludes some secondhand sales (in particular, cars) which are included in the retail sales series. In 1964-65 its total of \$4,654m. was 43 per cent. higher than the retail sale of goods series and the difference represents mainly service items. This group, in particular rent, travel and communication (fares, motoring expenses, telephone, etc.) and medical expenses has shown the greatest relative increase in recent years, representing 34% of total consumption expenditure in 1952-53, 37% in 1956-57 and 43 per cent. in 1964-65 while the proportion of food, drink and tobacco expenditure fell in this period from 38% to 32% and that of clothing, footwear and drapery from 13% to 11%.

## PERSONAL CONSUMPTION EXPENDITURE - New South Wales (incl. A.C.T.)

Year Ended June	1955	1963	1964	1965	1955	1963	1964	1965
	\$ million				Per cent. of Total			
Food	638	929	949	1010	25.5	22.8	21.9	21.7
Tobacco	271	416	427	458	10.8	10.2	9.9	9.8
Clothing (incl. footwear & drapery)	341	439	478	500	13.6	10.8	11.0	10.7
Household Durables	192	326	337	366	7.7	8.0	7.8	7.9
Other Goods	184	303	326	348	7.3	7.5	7.5	7.5
Travel and Communication	310	566	612	662	12.4	13.9	14.1	14.2
Medical, Hospital & Funeral	68	133	152	167	2.7	3.3	3.5	3.6
Ent., Gas, Electricity, Fuel *	256	535	604	659	10.2	13.2	13.9	14.2
All Other Services	249	421	449	483	9.9	10.4	10.4	10.4
Total	2507	4067	4333	4654			100%	

Chemists' Goods, Newspapers, Books etc. \* Incl. imputed rent of owner-occupied houses

## LENDING BY FINANCE COMPANIES

Hire purchase and other consumer and commercial lending in New South Wales was less during January/February 1966 than in this period of 1965. Balances outstanding for instalment credit for retail sales (lent by non-retail finance firms) fell from a peak of \$414m. at the end of 1965 to \$411m. in February (in Australia from \$1,089m. in December to \$1,076m. in February and \$1,073m. in March). The more comprehensive statistical series of main finance companies show a similar slackening in 1966 in new and outstanding lending for wholesale hire purchase (largely car dealers), mortgage loans and factoring, and to a lesser extent also in other commercial loans.

## INSTALMENT CREDIT &amp; OTHER LENDING BY FINANCE COMPANIES - New South Wales - \$ million

	June	Sept.	Dec.	Jan./Feb.	
				Quarters	
<b>INSTALMENT CREDIT FOR RETAIL SALES, Financed by Non-Retail Finance Businesses</b>					
Amount Financed during Period Shown	1964/5	61	69	75	40
	1965/6	64	67	65	37
Balance Outstanding at end of Period	1964/5	367	379	397	397
	1965/6	403	411	414	411
<b>MAIN FINANCE COMPANIES (other than banks, insurances, building societies etc.) (1)</b>					
Amount Financed during Period Shown	1964/5	n.a.	191	182	120
	1965/6	200	201	194	103
Balances Outstanding at end of period:					
Contracts which include Charges (2)	1964/5	n.a.	590	607	610
	1965/6	608	615	619	613
Contracts which exclude Charges (3)	1964/5	n.a.	131	138	152
	1965/6	148	163	164	166

1) Further excludes finance companies engaged also in other activities and financing mainly their own sales, or group members which mainly finance related companies.  
 2) Incl. instalment credit for retail sales and other commercial or consumer loans.  
 3) Incl. wholesale hire purchase and other commercial or consumer loans.

OVERSEA TRADE - Australia

The value of imports into Australia continued its upward trend in the first three quarters of 1965-66 when at \$2,258m. it was 6 per cent. more than in this period of 1964-65. Exports showed a partial recovery from last year's decline (\$1,988m. in July-March 1965-66 as against \$1,953m. in 1964-65 and \$2,056m. in 1963-64) but this did not match the rise in imports, so that the import surplus for the nine months rose from \$175m. in 1964-65 to \$270m. in 1965-66; in 1963-64 there had been an export surplus of \$336m. during this period.

## OVERSEA TRADE In Merchandise - \$ Million F.O.B.

	Year ended June				Nine Months ended March					
	1962	1963	1964	1965	1962	1963	1964	1965	1966	
	Exports	2,100	2,102	2,726	2,631	1,588	1,566	2,056	1,953	1,988
Imports	1,739	2,128	2,330	2,900	1,378	1,600	1,720	2,128	2,258	
Exports (+), Imports (-)	+361	-26	+396	-269	+310	-34	+336	-175	-270	

The quantity of wool shipped from Australia in the six months ended February, 1966 (corresponding roughly to the first six months of the current selling season) at 798 mill.lbs. was a little less than in this period of 1964-65 and well below the level of the previous years. The average sale price fell from 54 cents per lb. of greasy wool in the 1964-65 period to 50 cents in 1965-66 so that export returns were reduced from \$436m. to \$402m. Wool shipments so far this season were much less than in recent years for the United Kingdom and the Eastern European (and Chinese) markets, but this was largely offset by increased shipments to Japan, the United States and the "Common Market" countries of Europe.

## EXPORTS OF WOOL - Australia - Six Months ended February of Year Shown

	1963	1964	1965	1966	1963	1964	1965	1966	1961	1962	1963	1964	1965	1966
	M.Lbs.	Greasy Equivalent			Value	\$ mill.			Percent. of Total Value					
	pan	196	231	202	241	104	143	116	129	22.8	26.5	25.3	26.6	26.6
United Kingdom	139	153	123	84	65	90	65	42	21.6	16.9	15.8	16.6	14.9	10.4
A.	71	47	71	82	32	24	37	41	3.4	5.1	7.7	4.5	8.7	10.1
C. Ø	278	283	231	258	125	158	113	120	33.7	31.7	30.5	29.2	25.9	29.9
tern Europe/	52	67	72	48	29	48	44	26	8.4	7.1	7.0	8.9	10.1	6.5
ers	112	121	106	85	56	77	61	44	10.1	12.7	13.7	14.2	14.1	11.0
Total	848	902	805	798	411	541	436	402	100%	100%	100%	100%	100%	100%
rage Value, cent. per lb. greasy					49c.	60c.	54c.	50c.						

France, Belgium/Holland/Luxemburg, Germany, Italy.  
U.S.S.R., Poland, Yugoslavia, Czechoslovakia

SYDNEY STOCK EXCHANGE

Share prices in Sydney were steady in January and February 1966 and ~~were down~~ in March when the index for ordinary shares fell by 4 per cent. However, they recovered throughout April and nearly regained the level achieved earlier in the year.

SYDNEY STOCK EXCHANGE INDEX	Year		1965			1966				
	All Ordinary Shares 1957=100	1963/4	1964/5	April	Oct.	Dec.	Jan.	Feb.	March	April
Peak of Period		186	185	161	157	158	160	163	158	156
Low of Period		158	148	150	150	154	159	158	151	161
Daily Average		176	171	157	153	155	160	161	154	158

The expansion in new life assurance business in New South Wales had moderated in the first half of 1965 but was resumed later, so that the total new sum assured, at \$608m. for the year, was 6 per cent. more than in 1964, following on a rise of 7½ per cent. in that year. The composition of new business in 1965, with 14% superannuation, 78% other ordinary and 8% industrial business, was similar to recent years.

Following on a fall in the number of new policies issued from 209,200 in 1961 to 184,700 in 1964 there was a small rise to 189,400 in 1965. The average value per new policy in 1965 was \$3,525 for superannuation, \$4,166 for ordinary policies and \$958 for industrial policies.

New loans granted by life assurance companies in the State (excluding advances of premiums) fell from \$72m. in 1960 to \$56m. in 1962, were back to \$67m. in 1964, and then jumped to \$84m. in 1965.

#### LIFE ASSURANCE - NEW BUSINESS IN NEW SOUTH WALES - Excluding Annuities

			1961	1962	1963	1964	1965
<u>M ASSURED:</u>	Total March Quarter	\$ mill.	90	101	102	107	117
	June Quarter		113	132	132	149	145
	Sept. Quarter		134	151	157	164	176
	Dec. Quarter		139	145	144	145	169
Superannuation Year	"		66	84	75	76	83
Other Ordinary	"		374	401	415	453	475
Industrial	"		36	43	44	46	50
T o t a l			476	528	535	575	608
<u>NUMBER OF POLICIES ISSUED</u>	"	No.	209,200	199,100	188,600	184,700	189,400
<u>NEW LOANS GRANTED</u>	"	\$ mill.	57	56	66	67	84

Australian life assurance business continued to expand in 1965, though at a slower rate than in 1964. The statistics, as shown below, exclude the Government Insurance Offices of N.S.W. and Queensland. The value of new policies issued rose by \$374m. in 1964 and by \$235m. in 1965 to \$2639m. with major rises in particular for superannuation policies which now make up one third of the total. The value of policies maturing or being otherwise discontinued is also rising, and at \$1059m. in 1965 was equivalent to 40% of new policies.

In the assets held by the listed offices in Australia total loans rose by \$84m. to \$1080m. in 1965 of which \$19m. (total \$350m.) went to housing loans. Investments in securities rose by \$148m. to \$1862m., which included increases of \$60m. each in Commonwealth Government bonds and in company shares and \$26m. in debentures etc. while there was little change in investment in local and semi-government securities.

LIFE ASSURANCE - Australia (excl. Government Insurance Offices of N.S.W. & Qld.) - \$mill.				
Calendar Year :				
<u>NEW POLICIES-Sum Assured:</u>	Superannuation	...	438	486
	Other Ordinary	...	1158	1262
	Industrial	...	88	104
	T o t a l	...	1684	1852
<u>POLICIES MATURED, DISCONTINUED OR CONVERTED</u>	...		671	733
<u>PREMIUMS ETC.</u>	R e c e i v e d...	...	284	303
<u>CLAIMS, SURRENDERS ETC. PAID</u>	...	...	136	138
<u>SELECTED ASSETS (At End of Year Shown)</u>				
Housing Loans on Mortgage	...	...	308	314
All Other Loans	...	...	580	606
T o t a l L o a n s	...	...	888	920
Investments : Commonwealth Securities	...	...	492	566
	Local & Semi-Government Securities		234	246
	Debentures and Notes	...	212	234
	S h a r e s e t c.	...	228	272
T o t a l I n v e s t m e n t s	...	...	1166	1318

In 1964 (latest available year) the number of life policies in Australia totalled 7.4 million with a sum assured of \$13 mill. (N.S.W. 2.6 mill. and \$3.6m. respectively)

## PART III : RURAL INDUSTRIES

THE SEASON - New South Wales (See also graph p. 50).

Coastal, Central and Southern areas of the State received good falls of rain during March. However, below average rainfall was recorded in the remainder of the State (apart from isolated storms) where pastures, water supplies and the conditions of stock have further deteriorated. In areas which have received rain pastures have shown some improvement and stock and household water supplies have been replenished.

Towards the end of April heavy rain fell along the central coast and in the north-east corner of the State and there were lighter falls on the north and central tablelands and slopes.

"Useful" rains (averaging one inch) fell over the north west as far as Moree but not nearly enough to allow general wheat sowings.

A record wheat acreage has been prepared for the sowing of wheat in the 1966-67 season, and after the recent rains some of the lighter soil can now be planted. However, not less than 2 inches and probably 3 to 4 inches are needed to make general sowing possible and above average rainfall would be required throughout the growing season to ensure a good crop. For April, 31 of the 59 pastoral protection districts in the State, were declared drought areas as compared with 33 in March and 26 in February 1966.

The Minister for Conservation told the Legislative Assembly that the drought has already caused a loss of \$250m. in the value of primary production in New South Wales and if the drought continued more than half the State's major storage dams would be emptied within seven months. The Minister added that water resources were at the lowest level in the State's history and the inland river system was slowly drying up.

## RAINFALL INDEX - New South Wales, "Normal Rainfall" for each Period = 100

	SHEEP DISTRICTS					WHEAT DISTRICTS					COASTAL DAIRYING		
	N	C	S	W	Total	N	C	S	Total	N	C	S	Total
965: July	77	52	53	44	58	29	54	56	52	263	118	48	197
August	69	81	150	120	104	72	90	148	123	115	41	80	91
September	80	87	83	58	81	89	77	80	81	56	66	66	60
October	86	185	141	81	131	92	190	129	143	75	175	253	123
November	53	50	120	48	74	57	64	124	100	76	53	50	67
December	177	168	149	138	161	164	184	168	171	186	118	86	156
966: January	26	26	39	60	24	20	27	37	32	16	35	36	24
February	64	50	88	42	65	52	50	77	67	109	127	123	115
March	70	141	198	80	133	60	153	214	180	41	84	88	58

DAIRYING - New South Wales

After a relative decline in the second half of 1965, milk production in New South Wales improved in March quarter 1966 (when compared with the corresponding period of 1965) when the drought broke in most of the coastal districts, output in July-March was 250.8m. gals in 1965-66; this was marginally higher than in 1964-65 but less than in any other year since 1959-58.

Comparing the nine months ended March 1965 and 1966 the use of milk for butter increased by 1.6 per cent to 53% of total production (51% in 1957-68). Milk for domestic use also increased but there were small falls in milk used for the manufacture of cheese and for "other uses".

## WHOLE MILK - Production and Use - New South Wales - Mill.Gall.

	1957-58	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66
September Quarter	58.6	64.2	68.6	63.9	64.0	67.3	64.6
December Quarter	80.1	94.7	114.4	99.4	104.7	100.8	99.6
March Quarter	83.7	93.1	102.6	99.5	93.9	80.1	86.6
Nine Months: Total	222.4	252.0	285.5	262.8	262.6	248.2	250.8
" Butter	112.7	132.5	165.2	147.6	147.3	130.3	132.4
" Cheese	7.0	9.1	10.8	8.8	9.2	7.7	7.1
" Processed	11.8	13.1	14.0	12.5	12.2	12.4	12.5
" Milk Board	58.1	64.0	67.0	67.8	69.2	72.4	73.6
" Other Uses	32.8	33.3	28.5	26.1	24.7	25.4	25.2

Because of current drought conditions over much of the State, first-hand deliveries of wool into New South Wales stores (excluding Albury) during the nine months ended March at 1.07 mill. bales in 1965-66 were 2½ per cent. less than in 1964-65. Usually about 85% of the season's clip has been delivered into store by the end of March. The volume of wool sold during the nine months fell by nearly 18 percent to 1.08 mill. bales (or 318 mill. lbs.) which was also the lowest level for many years and because of this the gross proceeds from these sales dropped from \$197m. to \$160m. for the nine months which was less than for any comparable period since 1960-61.

W O O L S T O R E S - Sydney, Newcastle and Goulburn - July to March

			1960-1	1961-2	1962-3	1963-4	1964-65	1965-66
First-Hand Deliveries	000 Bales		1329	1311	1276	1379	1361	1068
Percent. of Year's Total		86%	86%	84%	85%	86%		
Total Receipts (incl. Carryover)	000 Bales		1431	1386	1362	1459	1463	1186
Disposals	"		1264	1265	1288	1320	1313	1082
Balance in Store, End of March	"		167	121	74	139	150	103
Value of Sales in Nine Months	\$ million		162	177	191	241	197	160

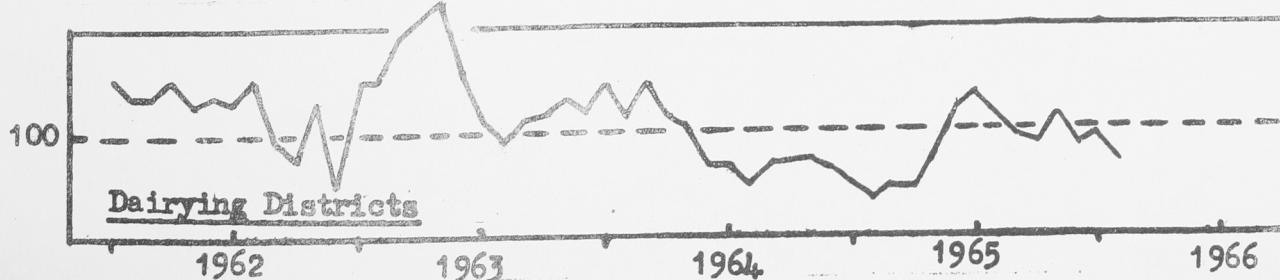
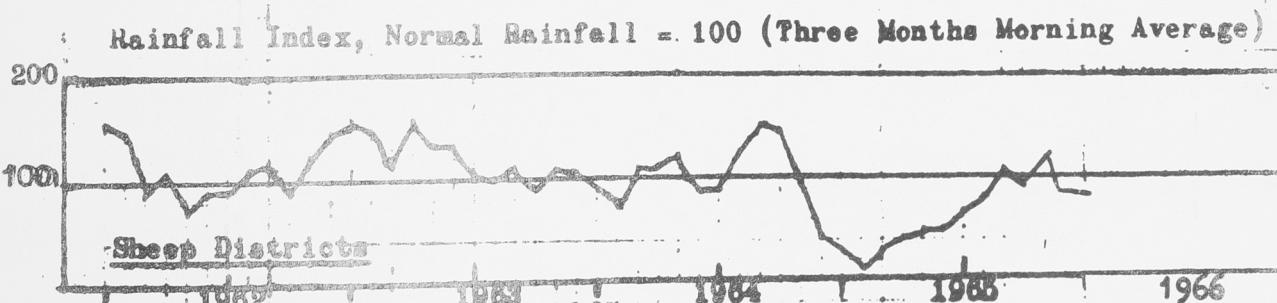
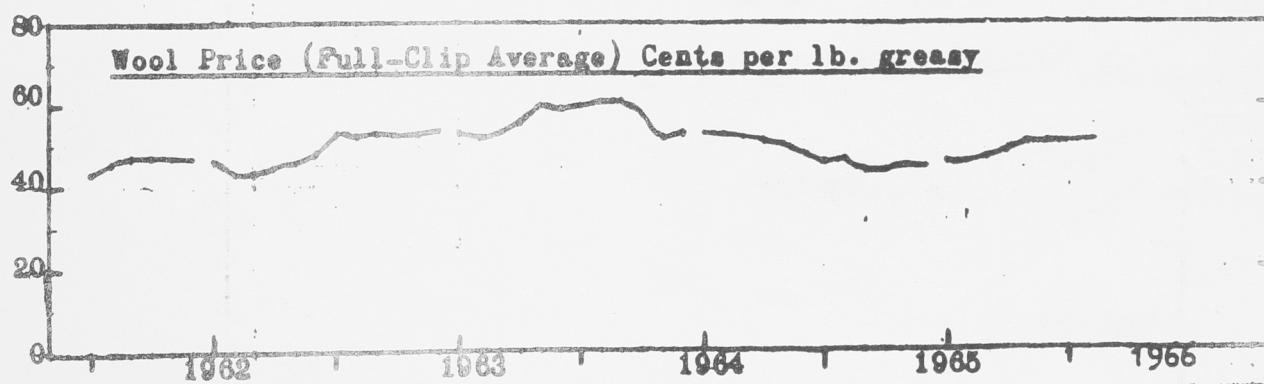
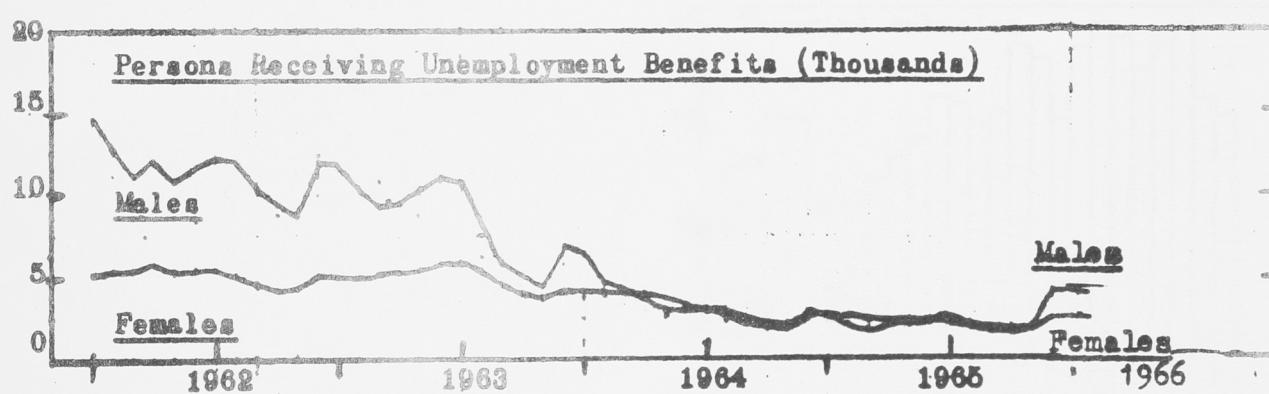
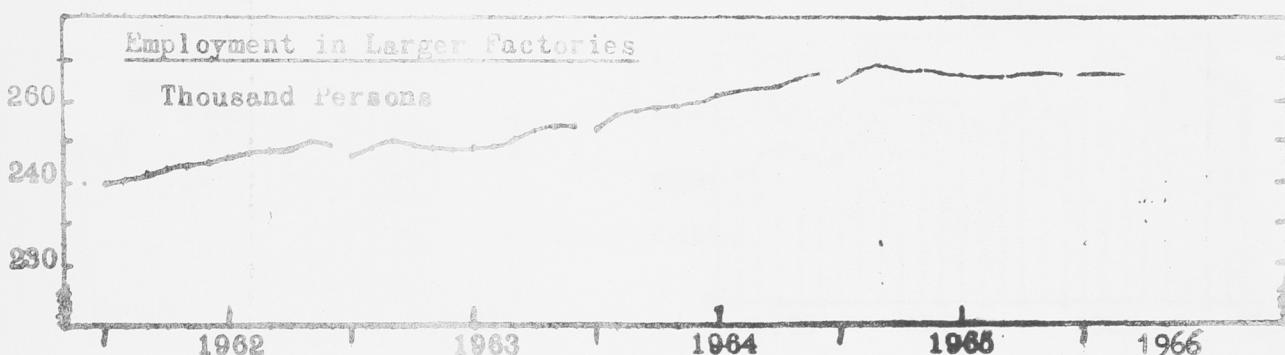
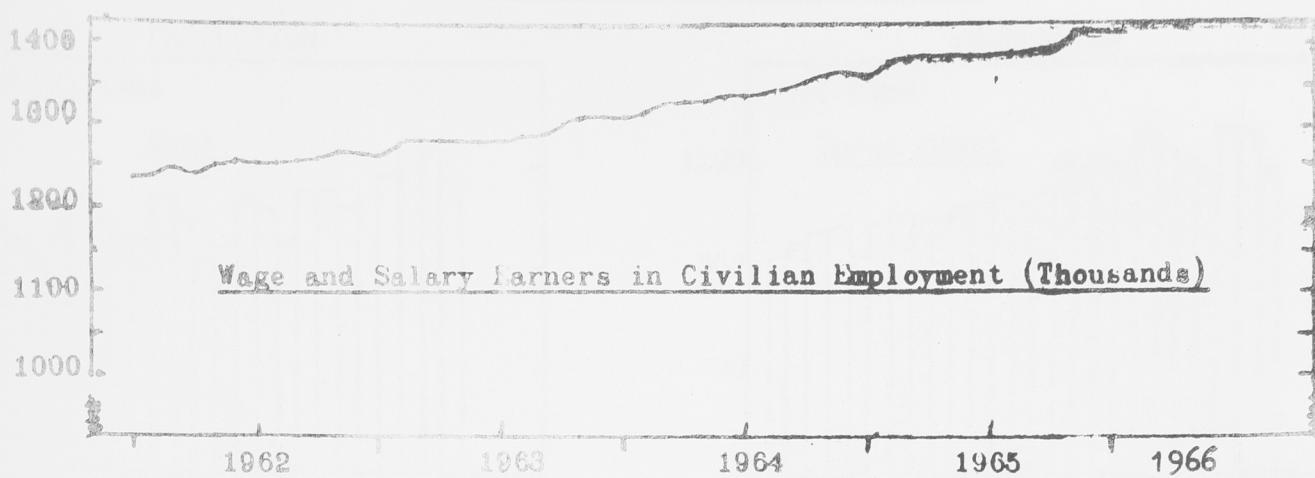
The average price per pound of greasy wool sold at auction (weighted by the average composition of a full year's clip) which fell from a peak of 61 cents in February, 1964 to 44 cents in March, 1965, gradually recovered to 51 cents in November, remained at this level until February, 1965 advanced further to 52 cents in March.

W O O L P R I C E, N S W, cents per lb. greasy - Monthly Index based on Composition of Year's Clip

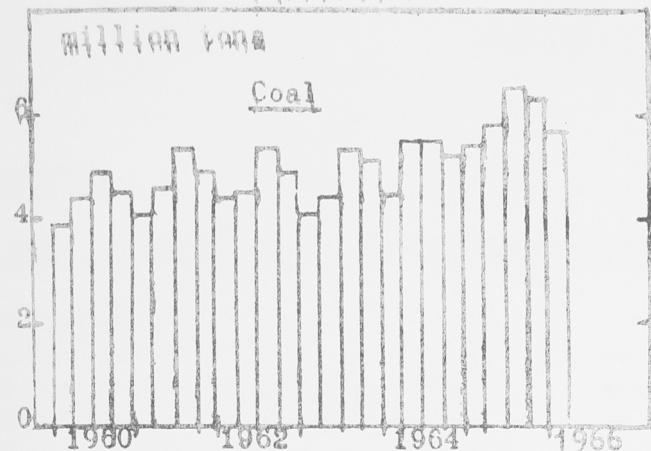
Season	September	November	December	January	February	March	June	Season
1956-57	62	64	65	66	68	44	66	67.1
1961-62	46	43	43	43	46	47	47	45.1
1962-63	43	48	43	53	52	53	54	48.6
1963-64	53	60	59	60	61	61	53	56.7
1964-65	52	50	48	46	47	44	45	48.0
1965-66	47	51	51	51	51	52		

For Australia, first-hand deliveries of wool into store at 3.91 mill. bales during the nine months ended March, 1966 were 11 per cent. less than in this period of 1964-65, with falls spread over all the main producing States. The volume of sales fell by 6.4 per cent. to 3.67 mill. bales, which was the lowest for the period in five years, and the value of sales fell from \$587m. in the nine months of 1964-65 to \$559m. in 1965-66, with the average value per lb. of greasy wool sold remaining unchanged at 50 cents.

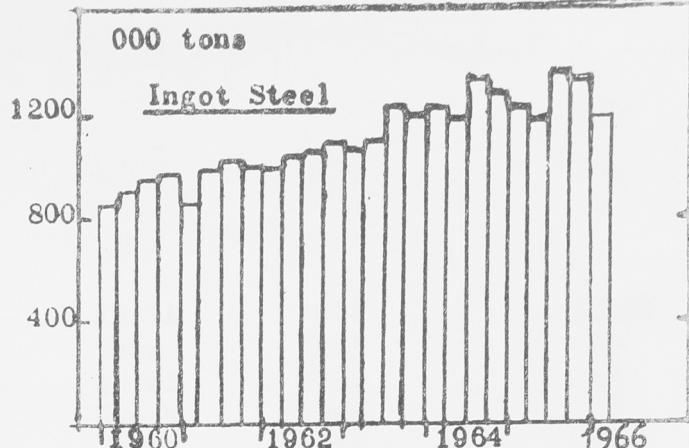
W O O L - AUSTRALIA - Nine Months ended March	1961	1962	1963	1964	1965	1966
Received by Brokers 000 bales	4,334	4,413	4,248	4,515	4,652	4,246
Sold by Brokers 000 bales	3,678	3,897	3,884	3,929	3,916	3,666
Total Value of Sales \$ million	478	548	578	722	587	559
Average Value per bale of greasy wool \$	130	140	150	184	150	152
Average Weight per bale of greasy wool, lbs.	303	307	305	307	303	303
Average Value, cents per lb. of greasy wool	43c.	46c.	49c.	60c.	50c.	50c.



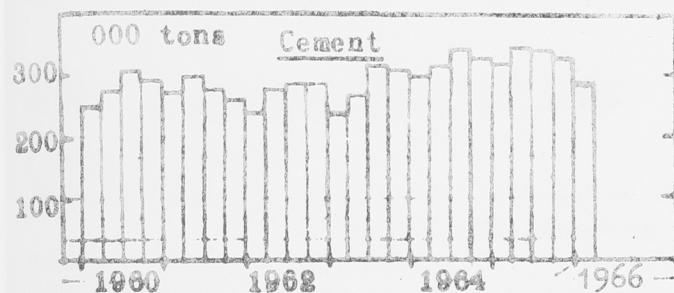
## PRODUCTION



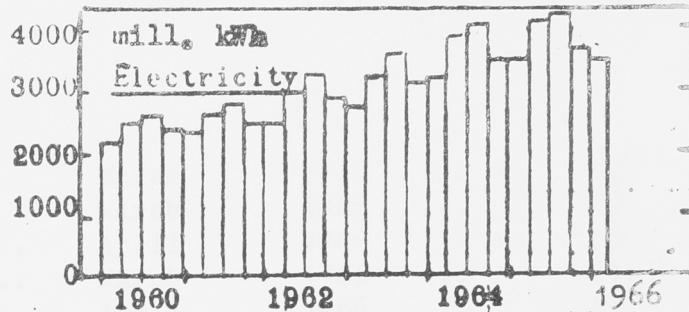
## PRODUCTION



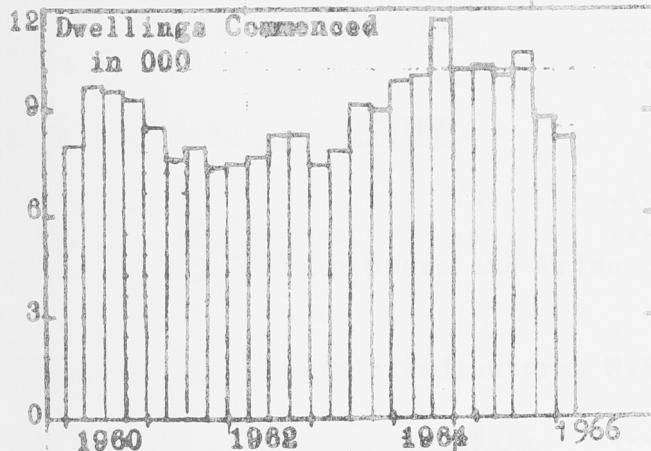
## PRODUCTION



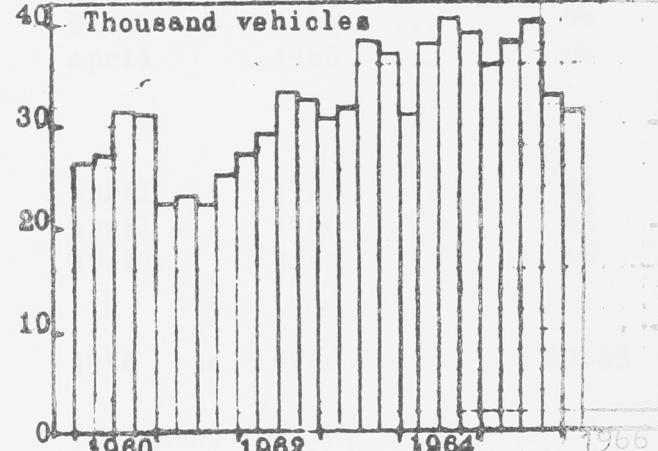
## PRODUCTION



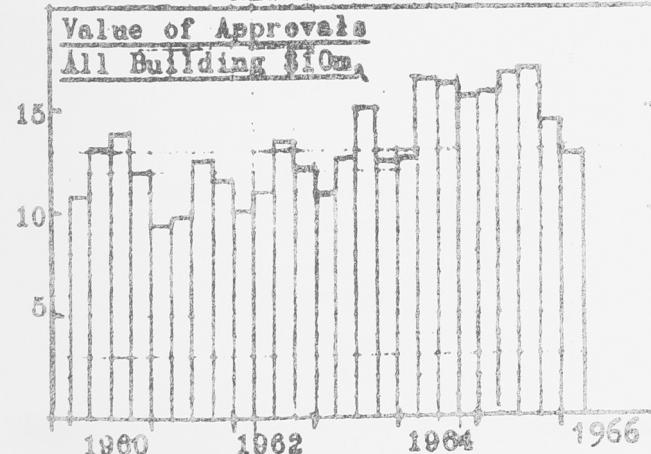
## NEW BUILDING



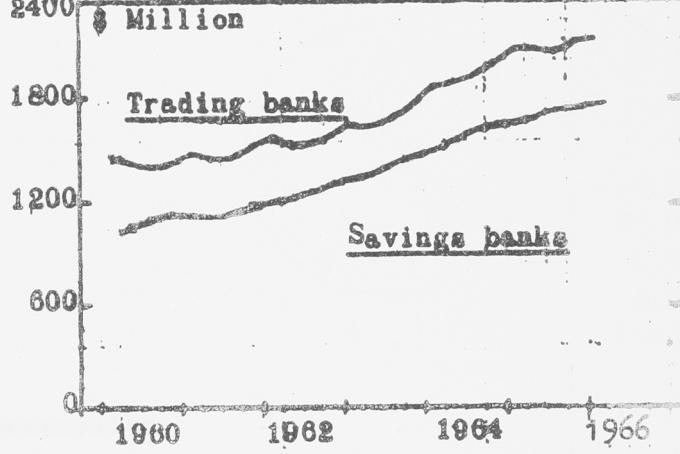
## NEW MOTOR VEHICLE REGISTRATIONS



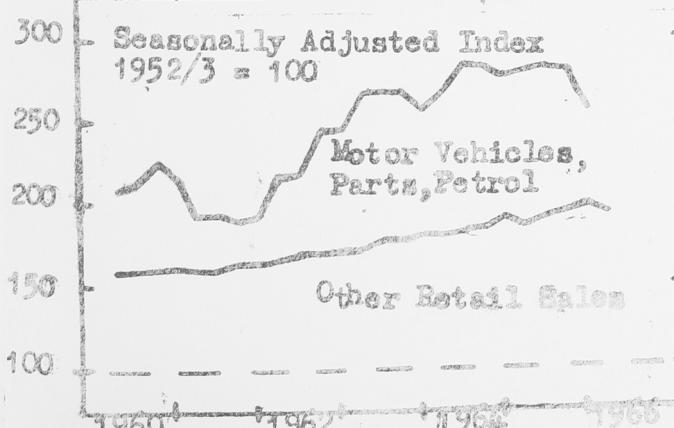
## NEW BUILDINGS



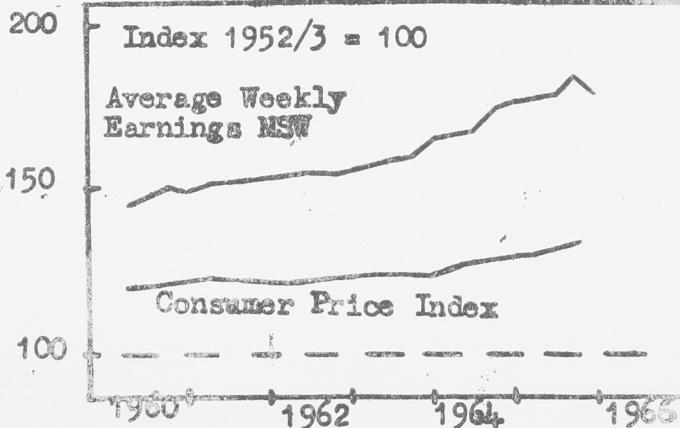
## BANK DEPOSITS



## VALUE OF RETAIL SALES



## PRICES &amp; EARNINGS



Series commence in March Quarter, 1960 and extend to March Quarter, 1966.